



North Carolina District Review

U.S. Small Business Administration, 6302 Fairview Road, Suite 300, Charlotte, NC 28210
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AUGUST, 2005

The *NC District Review* is available via e-mail or fax. To receive via e-mail, visit www.sba.gov and click on 'Other SBA Subscriptions.' To receive via fax, notify Cecelia Rolls by phone at 704-344-6810, by fax at 704-344-6769 or e-mail at cecelia.rolls@sba.gov.

MOST ACTIVE LENDER RANKINGS FY 2005 YTD

October 1, 2004 – July 31, 2005

LENDERS

	<u>7(a)</u>	<u>504</u>	<u>Total</u>	<u>\$ Amount Millions</u>
Large and National Banks				
1. Bank of America	299	4	303	\$10.7
2. Capital One Federal Savings	163	0	163	\$7.1
3. Wachovia Bank	68	2	70	\$23.8
4. BB&T	55	14	69	\$23.6
5. First Citizens	38	26	64	\$14.3
Community Express Lenders*				
1. Innovative Bank	261	0	261	\$1.7
2. Business Loan Express	56	0	56	\$1.3
Community Banks				
1. Surrey Bank & Trust Company	49	0	49	\$10.5
2. Southern Bank & Trust	15	2	17	\$2.1
3. The Fidelity Bank	7	3	10	\$1.6
4. Bank of Stanly	8	1	9	\$1.0
Small Business Lending Companies				
1. CIT Small Business Lending Corporation	42	1	43	\$24.0
2. Self-Help Credit Union	26	0	26	\$2.1
Certified Development Companies				
1. Self-Help Ventures Fund		41	41	\$14.7
2. Centralina Development Corporation		22	22	\$10.3
3. Business Expansion Funding Corp.		21	21	\$7.4

*Only SBA CommunityExpress loans are tabulated in this category.

NOMINATIONS FOR 2006 SMALL BUSINESS PERSON OF THE YEAR

SBA is seeking nominations for the 2006 North Carolina Small Business Person of the Year and the Small Business Champion Awards. Please consider honoring one of your small business clients.

Each year since 1963, the President of the United States has designated a National Small Business Week. The highlight of Small Business Week activities is the presentation of awards at the state and national levels. The 2006 Small Business Week celebration next year will honor the small business community's many contributions to the American economy and society. The dates for 2006 Small Business Week have yet to be announced.

Other awards include:

**Small Business Exporter of the Year
SBA Young Entrepreneur of the Year
Minority Small Business Champion
Veteran Small Business Champion
Financial Services Champion
Home-Based Business Champion
Women in Business Champion
Small Business Journalist of the Year
Jeffrey Butland Award for Family-Owned Business of the Year**

Nomination packages must be received at the Charlotte District Office on or before **Friday, November 4, 2005.**

To find nomination guidelines and required forms, visit the SBA North Carolina District website at <http://www.sba.gov/nc> and click on the '06 Nominations Guidelines logo.

For more information contact Mike Ernandes at 704-344-6588 or mike.ernandes@sba.gov.

SBA'S 504 PROGRAM - DEBUNKING THE MYTHS

Never done an SBA 504 loan? It's a good deal for both you and your customer.

In February 2004, the Wall Street Journal reported SBA's 504 loan "is a potent tool for small-business owners, yet the program is vastly underutilized." In this new MYTH vs. REALITY section, we'll try to clear up some of the myths about 504. Check back each month as we dispel the myths one-by-one.

Myth: There's too much red tape with any government program, and that includes 504.

REALITY: Lenders do not prepare the SBA 504 paperwork. Certified Development Companies specialize in 504 lending and are responsible for preparing, submitting and servicing the loan package.

TOP 10 BENEFITS OF THE 504 LOAN PROGRAM

1. **Benefits your customer.** Long-term, fixed rate SBA note minimizes average interest cost. Will improve cash flow.
2. **Collateralized!** Lender holds a senior lien position on the project collateral. Generally, a 50% loan to value relationship.
3. **New Customers!** Enables lender to broaden its customer base, increasing the potential for future relationships and the sale of additional products. Lender may obtain or maintain a customer whose deposits will grow as business succeeds.
4. **Not Just Real Estate!** 504's are useful for many types of projects, such as capital equipment, start-ups, leasehold improvements and change of business ownership.
5. **No Fee Restrictions!** SBA imposes no restrictions on lender interest rates and fees.
6. **Meet CRA Requirements!** Tangible displays of lender's involvement in community development and job creation while meeting CRA requirements in a secured project.
7. **Sell the Loan!** Active secondary market provides lender an opportunity to increase profits.
8. **Low Down Payment!** Customer needs 10-20% of project instead of normal 25-30%.
9. **No Additional Paperwork for the Bank!** Certified Development Company handles SBA paperwork.
10. **Make Bigger Loans!** 504 loans enable some lenders to participate in larger projects, where lending limits may otherwise be an issue.

ON-SITE HELP AVAILABLE – CALL US!

If your institution has decided to make a loan with the support of an SBA guarantee and you are unfamiliar with SBA forms or procedures, help is available. Contact your local representative (see page 5) to arrange a *one-on-one meeting at your bank to guide you through the application process.*

EACH FRIDAY FREE SBA ONLINE TRAINING

North Carolina District Office offers SBA Programs and Services Training every Friday. From 9 to 10 a.m. and again at 12:30 to 1:30 p.m., an SBA District employee will provide live training through "Ready Talk" software. Small business owners and your clients can call in and simultaneously sign into the website for a live PowerPoint presentation.

SBA programs covering loan guarantees, counseling, and government contracting will be highlighted. This can be a useful tool for you to refer to your start-up clients. It can also be a refresher course for you. Go to SBA's North Carolina webpage www.sba.gov/nc under "What's New?" to register and for more information.

MONTHLY LENDER WORKSHOPS

The NC District Office will conduct **Lender Workshops** from 9:00 a.m. until 12:00 p.m. on the **second Wednesday of each month** at the **Charlotte, Raleigh, Wilmington and Asheville** offices. See below for upcoming dates.

The workshops focus on SBA Loan Programs and borrower eligibility. Walk-ins are welcome, but the presenter appreciates knowing in advance if you are planning to come. To register, call Celia Rolls at (704) 344-6810 for Charlotte, Ivan Hankins at (919) 851-1891 for the Raleigh Area, Mike Arriola at (828) 225-1844 for Asheville or Arline Brex at (910) 202-0494 for Wilmington. There will be no lender training in September in Raleigh and Wilmington

Upcoming 2005 Dates

September 14
October 12

2005 SBA DAYS

If you have clients who would be interested in learning more about SBA's programs, they can schedule a 30 minute, one-on-one information session with an SBA Representative. Call to make an appointment at the following locations:

Sponsor	Location	Day	Hours	Phone Number
Watauga JobLink Center	Boone	Second Thursday	10 a.m. - 3 p.m.	828-265-5385
Cary Chamber	Cary	Third Wednesday	10 a.m. - 2 p.m.	919-467-1016
SBA District Office	Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gaston Co. Chamber	Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro Chamber	Greensboro	First Tuesday	10 a.m. - 2 p.m.	336-510-1234
Henderson Co. Chamber	Hendersonville	Third Friday	10 a.m. - 2 p.m.	828-692-1413
Catawba Co. Chamber	Hickory	Third Tuesday	10 a.m. - 2 p.m.	828-328-6000
Mooreville Chamber	Mooreville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Rowan Co. Chamber	Salisbury	Fourth Wednesday	9:30 a.m. - 2 p.m.	704-633-4221

NC DISTRICT OFFICE LENDER CONTACTS

David Dillworth	(704) 344-6578	david.dillworth@sba.gov
Karen Hoskins	(704) 344-6381	karen.hoskins@sba.gov
Thomas Neal	(704) 344-6577	thomas.neal@sba.gov
Cecelia Rolls	(704) 344-6810	cecilia.rolls@sba.gov

ASHEVILLE & WESTERN NC

Mike Arriola	(828) 225-1844	michael.arriola@sba.gov
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RALEIGH/DURHAM & NORTHEASTERN NC

Ivan Hankins	(919) 851-1891	ivan.hankins@sba.gov
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WILMINGTON & SOUTHEASTERN NC

Arline Brex	(910) 202-0494	arline.brex@sba.gov
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SBA North Carolina District Loan Approvals October 1, 2004 – July 31, 2005

<u>Lender</u>	<u>7(a)'s</u>	<u>\$ Amount</u>	<u>504 Part</u>	<u>504 \$</u>
Bank of America	299	\$ 9,184,200	4	\$ 1,553,473
Innovative Bank	261	\$ 1,742,000		
Capital One Federal Savings	163	\$ 7,180,000		
Wachovia	68	\$ 21,634,300	2	\$ 2,252,500
Business Loan Center	64	\$ 8,631,700	2	\$ 2,152,500
BB&T	55	\$ 16,539,200	14	\$ 7,133,772
Surrey Bank & Trust	49	\$ 10,566,000		
CIT	42	\$ 23,896,300	1	\$ 185,000
Bank of Granite	40	\$ 4,638,700		
First Citizens Bank	38	\$ 7,593,500	26	\$ 6,795,625
Self-Help Credit Union	26	\$ 2,099,860		
Wells Fargo	18	\$ 595,000		
Community West Bank	16	\$ 2,373,100		
Southern Bank & Trust	15	\$ 1,475,400	2	\$ 721,900
Community South Bank	12	\$ 11,361,000	2	\$ 1,773,580
New Century Bank	9	\$ 3,234,800		
Bank of Stanly	8	\$ 851,900	1	\$ 158,500
Stearns Bank	5	\$ 806,250		
SunTrust Bank	7	\$ 282,000	2	\$ 1,413,264
The Fidelity Bank	7	\$ 697,900	3	\$ 933,200
Comerica	6	\$ 3,643,000		
California Bank & Trust	5	\$ 1,243,000		
Newtek	5	\$ 530,266		
Temecula Valley Bank	5	\$ 7,753,400		
GE Capital	4	\$ 2,182,000	7	\$ 4,437,500
Cardinal State Bank	3	\$ 1,158,000	1	\$ 140,000
Carolina Bank	3	\$ 930,000		
Citizens Bank	3	\$ 4,413,000		
First National Bank SO	3	\$ 1,125,000		
First Trust Bank	3	\$ 408,150	3	\$ 844,925
Independence Bank	3	\$ 617,500		
Lexington State Bank	3	\$ 1,043,656	1	\$ 350,000
Sound Banking Company	3	\$ 102,500		
Southern Community Bank	3	\$ 304,196	2	\$ 866,000
American Express Centurion	2	\$ 50,000		
Carolina First Bank	2	\$ 160,000	1	\$ 665,100
Coastal Federal Bank	2	\$ 368,000		
Coastal Federal Credit Union	2	\$ 317,250		
Crescent State Bank	2	\$ 108,000		
First Charter Bank	2	\$ 490,000	4	\$ 1,656,500
First National Bank of Shelby	2	\$ 924,000	1	\$ 64,500
First South Bank	2	\$ 210,000		
FNB	2	\$ 335,000	2	\$ 1,670,500
Gateway	2	\$ 395,000		
Loan Depot Lending	2	\$ 1,733,000		
Main Street Bank	2	\$ 1,741,000		
Morris Plan Bank	2	\$ 275,000		
The Heritage Bank	2	\$ 510,000		
United Midwest Savings Bank	2	\$ 2,000,000		
Unizan Bank	2	\$ 3,191,000		

SBA North Carolina District Loan Approvals October 1, 2004 – July 31, 2005

(continued)

Waccamaw Bank	2	\$ 354,350	1	\$ 600,000
American Community Bank	1	\$ 150,000	1	\$ 683,250
Banco Popular	1	\$ 790,000		
Bank of N. GA	1	\$ 350,000		
Business Carolina	1	\$ 850,000		
Cabarrus Bank & Trust	1	\$ 150,000		
Capital Bank	1	\$ 1,000,000		
Catawba Valley Bank	1	\$ 30,000		
First Gaston Bank	1	\$ 237,254	4	\$ 1,895,000
First National Bank & Trust	1	\$ 147,500		
First National Bank of AZ	1	\$ 228,000		
Lehman Brothers Bank	1	\$ 306,000		
National Cooperative Bank	1	\$ 175,000	1	\$ 736,053
New Century Bank -Fayetteville	1	\$ 250,000		
Old National Bank	1	\$ 65,000		
Peoples Bank	1	\$ 264,000	1	\$ 2,000,000
PNC Bank	1	\$ 164,400		
RBC Centura	1	\$ 400,000	4	\$ 3,825,000
Sterling South Bank	1	\$ 210,165		
Summit National Bank	1	\$ 750,000		
The Bank of Asheville	1	\$ 41,000		
Unity Bank	1	\$ 105,000		
	1309	\$ 180,661,697		
Bank of the Carolinas			1	\$ 1,014,750
Bank of Asheville			2	\$ 349,500
Regions Bank			2	\$ 2,097,700
Citizens South			1	\$ 245,000
Cooperative Bank			1	\$ 177,000
Central Carolina Bank			1	\$ 227,500
Macon Bank			1	\$ 690,800
First Bank			1	\$ 978,000
First Community Bank			1	\$ 325,000
The Little Bank			1	\$ 446,550
Lumbee Bank			1	\$ 1,075,000
Mid Carolina Bank			2	\$ 1,578,000
Mechanics & Farmers			2	\$ 1,723,461
Zions			4	\$ 1,279,418
Unrecorded Lenders			2	
			116	
<u>Certified Development Corps.</u>				
Self-Help Ventures Fund	41	\$ 14,783,000		
Centralina Dev. Corp.	22	\$ 10,392,000		
BEFCO	21	\$ 7,495,000		
Asheville Buncombe Dev.	9	\$ 3,073,000		
Northwest Piedmont Dev.	6	\$ 4,143,000		
Wilmington Ind. Dev.	6	\$ 2,774,000		
Neuse River Dev.	5	\$ 2,419,000		
Smoky Mountain Dev.	3	\$ 1,306,000		
Region C Dev.	1	\$ 55,000		
Region D Dev.	1	\$ 181,000		
Region E Dev.	1	\$ 117,000		
	116	\$ 46,738,000		

SBA North Carolina District Loan Approvals October 1, 2004 – June 30, 2005
(continued)

Certified Development Corps.				
Self-Help Ventures Fund	32	\$ 11,619,000		
BEFCO	20	\$ 6,784,000		
Centralina Dev.	16	\$ 6,653,000		
Asheville-Buncombe Dev.	9	\$ 3,058,000		
Northwest Piedmont Dev.	6	\$ 4,143,000		
Wilmington Industrial Dev.	5	\$ 1,709,000		
Neuse River Dev.	3	\$ 2,037,000		
Smoky Mountain Dev.	3	\$ 1,306,000		
Region C. Dev.	1	\$ 43,000		
Region D. Dev.	1	\$ 181,000		
Region E. Dev.	1	\$ 117,000		
Total 504	97	\$ 37,650,000		